

Feb. 26, 1967

Dear S

How are you getting along with the economic chapter? I had not wanted to interfere, and thought that a dialogue is more fruitful after one has a concrete basis for it. However, at the moment I feel that it may aid you if I tell you what I thought Tsushima would have done and then contrast that to my own interest and the general Marxian framework of economic laws, after which you might tell me your direction.

Before I knew quite how much Coms. Tsushima and I differ (before his chapter was translated I knew only that we both used the term, state-capitalism, for our age) I thought that he meant by the statement that he is mostly interested in crises the following: (1) State Planning, on the one hand, and such "new" interference in the economics of the world since Depression as Keynesian "fluidity"—relaxing of credit controls, faster depreciation or rather faster tax reduction by government to industry because of the faster obsolescence of means of production, and generally easier cash guarantees—, on the other hand, made a basic difference in the manner in which Marx conceived of crises as occurring every 10 years, based precisely on technological changes in that period. Therefore, it was necessary to show that, even if the crises since the one out of which capitalism could not get out except through the holocaust of WWII, crises still continued to be a fundamental factor as is shown by recessions, permanence of "pockets of unemployment", etc.

(2) Because there really was no end to WW II other than the exhaustion of the contenders, militarization has become so total a factor of the economy that that needed to be most precisely investigated and shown to be the factor of "change", that is to say, that instead of the regular commercial crises we have so much of the economy go into this one element that one can no longer discuss national economy other than as war economy.

If that were Com. Tsushima's main interests—and since I did feel that a "foreign" comrade should contribute that chapter to my work because to view the economy from the US side is to view it altogether from the terror point of view—I felt I'd let him develop his views as he sees them, and then we could see. In any case, as you know, the differences between us widened. And then I felt that since the Humanism of Marxism actually came from Eastern Europe that it would be best to have a Marxist from that part of the world do it, and I turned to you. As against the particular interest of the Japanese comrades in crises, I myself would have approached the chapter from the point of view of the Second Industrial Revolution which has been the determining factor of the postwar world. I would therefore have been interested in (1) Technology as meaning a new world stage that actually permits "skipping" of stages of industrialization if the world weren't capitalist. In other words, stress on such matters as atomic energy, cybernetics, automated machinery that permits a development simultaneously on the industrial and agricultural fronts whereas when the first Industrial Revolution began, if even capitalism hadn't been the only way to industrialize, it is still a fact that light industry would have come first, then heavy industry, and agriculture both before but actually after third. There weren't that many scientific revolutions, if even there had been capital other than through primitive accumulation, to have done it on all fronts at once. (2) Technology, not as general, but as the automation to which the proletariat objects, and while resisting, they are not breaking up machines as of old, but raising Humanist questions and attitudes and proposals of how to combine manual and mental not always to be slaves, etc.

Whether it is the Japanese concern with crises or the American concern with technology, the Marxian framework would discipline one in the following manner: (1) Economic laws of development—value and surplus value, concentration

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and centralization of capital, preponderance of means of production over means of consumption--are analyzed by Marx, not in and for themselves although he is the one who discovered them, but in order to show the law of motion of the entire system (a) purely economically they would lead, says Marx, to this concentration in a single state which, no matter how you changed the distributive laws flowing from them, would only aggravate this constant preponderance of constant over variable capital and therefore the crises are inevitable and come about as regularly as basic technological revolution, i.e., within a decade. (b) but nothing is "purely" economic for this pure economicism leads to the absolute general law of unemployment, therefore the unemployed army likewise signifies your, the capitalists', and, for the only source of your value and surplus value--living labor--is doing nothing to produce it.

(2) On the other hand, the fact that the cooperative form of labor is against the despotic plan of capital in the factory; the fact that the humanist approach is against the perversity of machine dominating man causes workers not only to revolt, but also to unite and have a different than profit motive, therefore we can see (a) workers' control of production as of the essence and (B) the determined effort to do away with all that causes the ills of capitalism--the division between mental and manual labor--shows us the outline of the future. It is only a bare outline because none of us living under capitalism, i.e., pre-history of man, can really know potentialities blooming in their full. But both by strikes, by revolutions such as the Paris Commune, we have seen what a flowering of civilization could be.

Now then, whether we take the two modern approaches--or you may have a still different one and even more valid--to the extent that we all would be rooted in Marxist analysis, both economic and Humanist, therefore what would confront us as authors of Philosophy and Revolution would be:

A. Analysis of post-war economy in order to show that State Planning, whether in the full form in Russia, or the partial form in Western Europe and USA, has become so integral a part of our world that the whole of the industrialized world has shown it can cope, within limits, with ordinary commercial crises, and in any case, can intervene in the economy and never again allow it to assume such disastrous proportions as 20 million unemployed in Depression, who might cause a revolution. The actual postwar growth of the economies, the fact that they could emerge from the destructions of WW II, shows how much the technology achieved as a war measure--wedding of science and the splitting of the atom with industry or automation--has made it possible to grow rather than die, but not to avoid but rather to aggravate internal crises, whether that was in form of recession in USA, Hungarian Revolution, Gaullism, etc.etc.

B--Analysis of new Third world--contrast between growth or lack of it in India as contrasted to greater growth in China as polarizing force for rest of underdeveloped technologies. Did they really escape the pull of the state-capitalism world market? Didn't the attempt of ~~the~~ Leap Forward actually show complete pessimism that they could just by enthusiasm and revolution get out of the vortex of world production?

C--Relationship of industrialized world to underdeveloped and vice versa, both as to militarization and threat of nuclear war, as well as to trade.

All these would mean concentration on the decade 1955-65, to show, on the one hand, what had been achieved in postwar recovery, and what had been lost? This decade would have to be divided at 1960 when Africa became independent, and where all UN world statistics show that their conditions have become worse, and then contrast what it would have been, on the basis Lenin's Thesis to the 2nd CI, if, East or West, an industrialized country had united with an underdeveloped --and thus started where Russian Revolution ended. Does this help, ~~S~~? Let me know. Yours, *Cap*

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